

During the 1996 election cycle, approximately 30 percent of all large federal contributions came in the form of soft money to political parties. Both parties raised soft money at a 75 percent higher rate than four years ago. For the 2000 elections, it is estimated that soft money spending will exceed \$500 million—more than double the total for the 1996 elections.

Soft money is used to finance the second loophole in campaign finance law: sham issue advertisements. This loophole allows special interests to spend huge sums of money on campaign ads advocating either the defeat or election of a candidate. As long as these ads do not use the magic words "vote for" or "vote against" they are deemed "issue advocacy" under current law and therefore not subject to campaign spending limits or disclosure requirements.

During the 1996 elections, the television and radio airwaves were flooded with these sham issue ads—many of which were negative attack ads. Americans who see or here these ads have no idea who pays for them because no disclosure is required. They drown out the voice of the average American citizen, and even sometimes of the candidates themselves. Without reform, we can certainly expect a huge increase in these sham issue ads.

The Shays-Meehan bill begins to restore public confidence in our electoral system by closing these two egregious loopholes. The bill bans all contributions of soft money to federal campaigns. Specifically, it bans national party committees from soliciting, receiving, directing or spending soft money. The bill also prohibits state and local parties from spending soft money on federal election activity.

In an effort to ban campaign advertisements that masquerade as "issue advocacy," Shays-Meehan tightens the definition of "express advocacy" communications. Under the bill, any ad that is clearly designed to influence an election is deemed "express advocacy" and must therefore abide by federal contribution and expenditure limits and disclosure requirements. Shays-Meehan includes well crafted language that specifically exempts legitimate voter guides from the definition of "express advocacy."

The Shays-Meehan bill would not prevent public organizations from running advertisements, but it would ensure that ads clearly designed to influence an election are regulated under federal law. We have laws clearly designed to regulate and disclose campaign donations and expenditures, and no one should be allowed to evade them. Shays-Meehan would ensure that everyone involved in influencing elections plays by the same rules.

Opponents have argued that the Shays-Meehan bill undermines the First Amendment right of free speech. However, the Supreme Court has ruled that Congress has a broad ability to protect the political process from corruption and the appearance of corruption. It has upheld as constitutional the ability to limit contributions by individuals and political committees to candidates. The Supreme Court has also clearly permitted Congress to distinguish between issue advocacy on the one hand, and electioneering or "express advocacy" on the other.

The Meehan-Shays proposal will not cure our campaign finance system of all its evils—

and I certainly support more far reaching restrictions on campaign contributions and expenditures. However, the bill will take a modest but significant first step toward restoring integrity in our political system. It will limit the influence of wealthy special interests and help to restore the voice of average American citizens in our political process. In short, enactment of this legislation is essential to the survival of American democracy.

EXPLANATORY STATEMENT ON
H.R. 2756, "FAIR COMPETITION IN
TAX-EXEMPT FINANCING ACT OF
1999"

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 15, 1999

Mr. HALL of Texas. Mr. Speaker, in August I introduced H.R. 2756, the "Fair Competition in Tax-Exempt Financing Act of 1999", which has been referred to the Ways and Means Committee. As a general proposition I believe that governments should be cautious in their use of tax-exempt financing, particularly when it is used to provide services that can be obtained through the private sector.

Since I introduced the bill, I have learned that it may raise significant issues that could affect the tax-exempt bonds of municipal electric systems. It was certainly not my intent to do anything that would affect the ongoing debate on the private use restrictions on these tax-exempt bonds.

As the Ranking Minority Member of the Energy and Power Subcommittee of the Commerce Committee, which has electric restructuring legislation pending before it, I believe it is prudent that I remain neutral on this issue. In fact I have encouraged the investor-owned utilities and public power systems to reach an agreement on private use and offer it to the Congress as a solution to this important restructuring issue.

Mr. Speaker, in order to make my intentions completely clear, were I permitted to withdraw the bill, I would do so. However, the custom in the House is not to permit bills to be withdrawn. As a result of the information I have received and the concerns that have been expressed since the introduction of the bill, I have decided not to seek further action on this legislation.

CONGRATULATIONS TO MARILYN
PRICE BIRNHAK AND J. ROBERT
BIRNHAK ON 35 YEARS OF SERVICE
AND LEADERSHIP TO THE
GREATER PHILADELPHIA COMMUNITY

HON. JOSEPH M. HOFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 15, 1999

Mr. HOFFEL. Mr. Speaker, my heartfelt congratulations to Mr. and Mrs. J. Robert Birnhak for being honored at the 35th anniversary celebration of Weight Watchers of Phila-

delphia on Saturday, September 18, 1999. Marilyn Price Birnhak along with the support of her husband J. Robert Birnhak founded Weight Watchers of Philadelphia thirty-five years ago. As founder and first president, she watched her group of eight members grow to roughly 20,000 members over the years, meeting in towns throughout the southeastern Pennsylvania and southwestern New Jersey areas.

Mr. and Mrs. Birnhak have also instilled in their children a sense of leadership, as their son John currently serves as the company's vice president of finance and their daughter Tracey is vice president of marketing and business development. All of their children are active in their communities.

The Birnhak family has contributed to Weight Watchers' tremendous growth in the Philadelphia area, as well as in the broader reaches of the franchise. Mr. Birnhak served as a past president of the Weight Watchers Franchise Association, and Mrs. Birnhak served first as vice president and then as president of the association.

In addition to their commitment to Weight Watchers, the Birnhaks have been leaders in the larger community as well. Mr. Birnhak has been active on the board of the Philadelphia Geriatric Center and Congregation Beth Shalom in Elkins Park, Pennsylvania. Both he and Mrs. Birnhak have been honored by the State of Israel Bonds, Jewish Theological Seminary and Ben Gurion University in Israel. Mrs. Birnhak is also on the board of directors of the Philadelphia Theatre Company.

Mrs. Birnhak has contributed significantly to numerous health panels, seminars and health fairs. She has lectured at medical colleges and universities and appeared on radio and television talk shows.

Through Weight Watchers the Birnhaks have participated in a myriad of charitable endeavors for the United Way, the American Heart Association, the March of Dimes, the Alzheimer's Association, the Hero Scholarship Fund, Weight Watchers of Philadelphia, Inc. Feeds the Hungry, the Kidney Foundation, among others. In particular, Weight Watchers of Philadelphia, Inc. is to be commended for being the single largest contributor to the Philadelphia Hero Scholarship Fund.

Once again, my congratulations to a wonderful couple and their family.

PERSONAL EXPLANATION

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 15, 1999

Mr. LAZIO. Mr. Speaker, because I was unavoidably detained, I was absent for the vote on the Bereuter/Wicker amendment to H.R. 417. This amendment would prohibit campaign contributions to federal candidates from any individual other than a U.S. citizen or national. Had I been present, I would have voted in favor of the Bereuter amendment in part because it would have been consistent with my record. On July 14, 1998, I voted for a similar amendment offered by Representative VITO FOSSELLA (vote #276 of the Second Session